



U.S. Small Business
Administration



DCAA COMPLIANCE



Sponsoring Organization:
U S Small Business Administration (SBA)

PRESENTER:
RUFFIN CONSULTING
Walt Ruffin, CPA, CCP, CDP, MBA

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9:00am



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SYLLABUS

9:00 – 9:10

Intro – Opening Remarks

9:10 – 9:25

Responsible and Responsive Contractor

9:25 – 9:40

Professional Service Firms and Construction Firms – DCAA Compliance – “The Basics”

9:40 – 9:50

Questions and Answers



INTRODUCTION

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Learning Goal – What should trainees expect from participation?

- *An understanding of the nature and purpose of DCAA compliance for Federal contractors.*

Learning Objective – What should participants be able to do?

- *How to start the DCAA compliance process.*

RESPONSIBLE & RESPONSIVE CONTRACTOR

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The Federal Acquisition Regulation (FAR) requires SB firms to demonstrate that they are both *responsible* and *responsive* to be awarded Federal contracts- **FAR 9.**



RESPONSIBLE & RESPONSIVE CONTRACTOR

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What is a responsible contractor?

- **FAR 9.103(b)** states that contracts shall only be awarded to “responsible” contractors.

- **FAR 9.104-1** defines a responsible contractor as:
 - **Having adequate finances to perform.**
 - **Having the technical capability to perform.**
 - **Having a satisfactory record of past performance.**
 - **Having a satisfactory record of business ethics and integrity.**

RESPONSIBLE & RESPONSIVE CONTRACTOR

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FEDERAL CONTRACTING QUALIFICATION – Per FAR 9 For: Small Business Contractor or Small Business Team Performance Risk Rating

Responsible Contractor has:	Responsive Contractor complies:
A viable product or service to meet Agency's Requirements	Timely and accurately to proposal and bid instructions
Past Performance: Relevant & Current Technical & Management Capabilities	With contracts terms and conditions
Financial capability (SF 1407) Bonding Capacity	With contract clauses – FAR 52
Business Ethic and Integrity	With contract administration & Audit Requirements – FAR 42
Fair and reasonable prices (SF 1408) - DCAA Compliant	With federal laws and regulations
8 (a) Firms (Why must you become DCAA Compliant?) <u>Six (6) Cs</u> : 1. Costing and Pricing Data (FAR 15) – TINA 2. Cost Plus Contracting 3. Change Order (Contract MOD) 4. Claim for Costs Incurred 5. Corrective Actions during Contract Execution 6. Competitive Advantage when Bidding	8(a) Firms Must: • Promptly take appropriate actions to correct all or any contract deficiency • Operate in real-time and constantly measure its performance: - Production Standards -QASP - Safety

DCAA COMPLIANCE – “THE BASICS”

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- **A well-designed accounting system** is essential to any business to ensure that key information about the company can be developed and communicated to managers, project managers, owners, customers, creditors, auditors, and others who need accounting data for decision making.



DCAA COMPLIANCE – “THE BASICS”

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- **Professional Service Firm:**
 - **Sample Chart of Accounts (COA) (Exhibit)**
- **Construction Firm:**
 - **Sample Chart of Accounts (COA) (Exhibit)**



Questions?????



CONTACT INFORMATION

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